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# Rethinking Trademark Functionality as a Question of Fact

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# RETHINKING TRADEMARK FUNCTIONALITY AS A QUESTION OF FACT

Yvette Joy Liebesman\*

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## INTRODUCTION

The dysfunction of the functionality doctrine has been illustrated in its treatment in recent court cases and has been comprehensively examined by scholars.<sup>1</sup> Problems regarding which substantive test to use, the difference between utilitarian and aesthetic functionality, and the limited knowledge of the jury all plague functionality from becoming a more robust, better understood doctrine. Yet, while the focus has continually been on the substantive test, by taking a step back, it is obvious that the problem has an even deeper origin.

There has been a consistent declaration that trade dress functionality is treated as a “question of fact,” but—with the exception of a few cursory statements—there has been very little explanation as to *why* this is so. It is simply taken as the way things have always been. Some scholars and jurists may argue that there is no need to state a rationale—that a rationale is only required when a standard is changed. Yet by failing to provide a rationale, and merely assuming that the determination of functionality results in a “finding of fact” as the default “correct” standard to use, there is a missed opportunity to examine and ensure that this so-called “default” is indeed correct. As discussed in this article, this assumption may in fact be wrong.

The choice of audience—that is, who determines functionality—has a cascading effect. Whether it is decided by the court or by a jury affects any later determination of infringement, “which in turn influences the sorts of works that third parties are willing to produce without risking liability. Choice of audience thus collectively shapes the available body of works, products, and brands.”<sup>2</sup>

Trademark law (which encompasses trade dress) looks to protect a mark owner’s reputational advantage.<sup>3</sup> By establishing goodwill, a manufacturer can distinguish his or her goods or services from the competition and build brand equity. Courts have consistently held, however, that protection for marks or distinctive features has never been intended to confer a monopolistic,<sup>4</sup> anti-

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<sup>1</sup> See, e.g., *Groeneveld Transp. Efficiency, Inc. v. Lubecore Int’l, Inc.*, 730 F.3d 494, 505–06 (6th Cir. 2013); Mark P. McKenna, *(Dys)Functionality*, 48 HOUS. L. REV. 823, 823–24 (2011).

<sup>2</sup> Jeanne C. Fromer & Mark A. Lemley, *The Audience in Intellectual Property Infringement*, 112 MICH. L. REV. 1251, 1253 (2014).

<sup>3</sup> *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164 (1995) (“[T]rademark law . . . seeks to promote competition by protecting a firm’s reputation.”); see also *Antioch Co. v. W. Trimming Corp.*, Nos. 98-3876, 98-3943, 1999 WL 777556, at \*10 n.3 (6th Cir. Sept. 16, 1999) (“A product . . . is . . . deserving of trade dress protection, if consumers identify the product, because of its distinctive design, with the reputation of the product’s source and for that reason are more inclined to purchase it.”).

<sup>4</sup> *Qualitex*, 514 U.S. at 164–65 (“It is the province of patent law, not trademark law, to encourage invention by granting inventors a monopoly over new product designs or functions for a limited time, after which competitors are free to use the innovation. If a product’s functional features could be used as trademarks, however, a monopoly over such features could be obtained without regard to whether they qualify as patents and could be extended forever.” (citations omitted)).

competitive, or non-reputational advantage over competitors.<sup>5</sup> Yet, determining whether a product's feature identifies source, or is merely ornamental or functional—in which case the protection of the feature as trade dress would confer a non-reputational advantage—has long been muddled in a confusing quagmire of court decisions and unclear doctrines.<sup>6</sup>

Trade dress scholarship has addressed important difficulties with the functionality doctrine, such as courts' reliance on the dubious "competitive need" of a feature in assessing functionality,<sup>7</sup> the overall ambiguity of the doctrine,<sup>8</sup> and the question of whether functionality should even be a complete bar to trade dress protection.<sup>9</sup> Nevertheless, another vitally important, yet previously undiscussed, concern related to this determination is the standard by which functionality should be assessed. In adjudicating a trade dress infringement claim, courts have traditionally and uniformly declared that the question of functionality is determined as a finding of fact. However, no court or legal scholar has ever thoroughly examined whether there is any foundational basis for this in the U.S. Constitution, or if there are any policy reasons for using a purely factual determination, rather than making an evidentiary conclusion at law based on the underlying facts,<sup>10</sup> similar to the standard currently used for determining patent non-obviousness.<sup>11</sup> How courts ascertain functionality (or non-functionality) dictates whether the issue is to be decided by a judge or whether the defendant has the option of having a jury be the finder of fact,<sup>12</sup> and determines the standard of review on appeal.<sup>13</sup> Indeed, changing how courts treat the

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<sup>5</sup> *Id.* at 165 ("[I]n general terms, a product feature is functional,' and cannot serve as a trademark . . . if exclusive use of the feature would put competitors at a significant non-reputation-related disadvantage.").

<sup>6</sup> See *infra* notes 83–107 and accompanying text.

<sup>7</sup> See McKenna, *supra* note 1, at 830–31 & n.35.

<sup>8</sup> See, e.g., Brett Ira Johnson, *Trade Dress Functionality: A Doctrine in Need of Clarification*, 34 CAMPBELL L. REV. 125, 139 (2011).

<sup>9</sup> Jessica Litman, Note, *The Problem of Functional Features: Trade Dress Infringement Under Section 43(a) of the Lanham Act*, 82 COLUM. L. REV. 77, 78 (1982); 15 U.S.C. § 1052(e)(5) (2012).

<sup>10</sup> See *infra* notes 83–107 and accompanying text.

<sup>11</sup> *In re Arora*, 369 F. App'x 120, 121 (Fed. Cir. 2010) ("The determination of obviousness under 35 U.S.C. § 103 is a legal conclusion based on underlying facts." (citing *In re Kumar*, 418 F.3d 1361, 1365 (Fed. Cir. 2005))).

<sup>12</sup> U.S. CONST. amend. VII. The Seventh Amendment provides that "In Suits at common law . . . the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law."

<sup>13</sup> Compare FED. R. CIV. P. 52(a)(6) ("Findings of fact, whether based on oral or other evidence, must not be set aside unless clearly erroneous, and the reviewing court must give due regard to the trial court's opportunity to judge the witnesses' credibility."), with *Carco Grp., Inc. v. Maconachy*, 718 F.3d 72, 79 (2d Cir. 2013) ("Following a bench trial, we review a district court's findings of fact for clear error, and its conclusions of law *de novo*.").

question of functionality could even lead to clarifying the substantive matters in the doctrine itself.

It might be pondered whether the standard matters—well, it does for two reasons. First it is important to get it right for its own sake. Second, using the correct standard is an essential part of the overall solution to the problems plaguing the functionality doctrine. As such, this article does not focus on the actual tests used to determine functionality—many fine scholars have already researched and written on this subject.<sup>14</sup> Rather, this article is concerned with the evidentiary standard by which these tests are examined. The author argues that courts have been incorrectly making a functionality determination as a finding of fact when there are stronger public policy and constitutional reasons for treating trade dress functionality as legal conclusion.

This article first argues that, since the question of functionality is whether the feature at issue should be under the purview of patent law (either as a utility or design patent), which is a constitutional question, it follows that the more appropriate approach would be to treat functionality as an evidentiary conclusion at law (such as that used for determining patent obviousness). Second, it will allow for the development of a more robust doctrine because the court would have to explain its rationale on the record. In functionality's current treatment as a question of fact, because typical jury instructions merely require a "yes" or "no" response to functionality, the jury's reasons—if any—are consigned to the machinations of the jury room, forever hidden from public view. This would change with a transformation in its treatment standard, and aid future decision-makers faced with the same query.

To support this article's assertion that courts should change the standard by which functionality is determined, Part I provides the basic requirements for a product's design to serve as its trade dress. This section also explains the functionality doctrine and then briefly describes the tests for both utilitarian and aesthetic non-functionality. Part II dissects the current rationale of non-functionality determination as an issue of fact by the courts. Part III addresses the constitutional angle of this 'author's argument—that what courts are really trying to resolve with the question of functionality is whether this feature is something that should be governed by patent law, a constitutional standard. Part IV presents the public policy perspective in support of a fact-based legal conclusion as the proper standard for determining functionality and explains how juries are poorly equipped to make a factual determination of non-functionality and wholly unable to advance the court's doctrine. This article

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<sup>14</sup> See, e.g., Litman, *supra* note 9, at 77–78; McKenna, *supra* note 1; Allison Midei, *Getting to Functional: Limiting the Applicability of the Trademark Aesthetic Functionality Doctrine*, 41 AIPLA Q.J. 467, 469 (2013), available at [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2243894](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2243894); A. Samuel Oddi, *The Functions of "Functionality" in Trademark Law*, 22 HOUS. L. REV. 925, 925 (1985); Mark Alan Thurmon, *The Rise and Fall of Trademark Law's Functionality Doctrine*, 56 FLA. L. REV. 243, 244–47 (2004).

concludes that a shift in the standard for determining functionality of trade dress would benefit competitors and consumers and bring the standard in line with the source of the inquiry based in patent law.

### I. WHAT'S YOUR FUNCTION?

*Conjunction Junction, what's your function?  
Hooking up cars and making 'em function.*<sup>15</sup>

It is undisputed that "trade dress can be protected under federal law."<sup>16</sup> The United States Patent and Trademark Office will register a trade dress as a mark because it "constitutes a 'symbol' or 'device' within the meaning of [Section] 2 of the Trademark Act."<sup>17</sup> However, registration is not required for a product's features to have trade dress protection under the Lanham Act.<sup>18</sup>

For a product feature to receive protection under the Lanham Act,<sup>19</sup> two key requirements are that a product's trade dress must be distinctive<sup>20</sup> and non-functional.<sup>21</sup> Distinctiveness, either inherent or acquired, means that the symbols, words, shape, or other feature indicates the source of the goods.<sup>22</sup> A trade dress is non-functional when it is neither useful nor is the aesthetically pleasing

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<sup>15</sup> *Schoolhouse Rock: Conjunction Junction*, lyrics by Bob Dorrough (1973), available at <http://grammar.ccc.commnet.edu/grammar/grammarrock.htm#conjunctions>.

<sup>16</sup> *TraFFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 28 (2001).

<sup>17</sup> TMEP § 1202.02 (October 2014); see also *Groeneveld Transp. Efficiency, Inc. v. Lubecore Int'l, Inc.*, 730 F.3d 494, 503 (6th Cir. 2013) ("Trade dress refers to the image and overall appearance of a product. It embodies that arrangement of identifying characteristics or decorations connected with a product, whether by packaging or otherwise, that makes the source of the product distinguishable from another and promotes its sale." (quoting *Abercrombie & Fitch Stores, Inc. v. Am. Eagle Outfitters, Inc.*, 280 F.3d 619, 629 (6th Cir. 2002))).

<sup>18</sup> *Warner Bros. v. Gay Toys, Inc.*, 658 F.2d 76, 78 (2d Cir. 1981) ("[R]egistration is not a requirement for protection under the Lanham Act."); *Keebler Co. v. Rovira Biscuit Corp.*, 624 F.2d 366, 372 (1st Cir. 1980) ("[S]ection 43(a) of the Lanham Act creates a federal law of unfair competition by providing a statutory remedy to a party aggrieved by a competitor's 'false designation of origin' of his product, even though he does not have a federally registered trademark.").

<sup>19</sup> 15 U.S.C. § 1052 (2012).

<sup>20</sup> *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 207 (2000).

<sup>21</sup> MARY LAFRANCE, UNDERSTANDING TRADEMARK LAW 65 (2d ed. 2009); see also *Wal-Mart*, 529 U.S. at 214. Under the Lanham Act, registration also will not be granted to marks that are, for example, found to be immoral, scandalous, deceptive, or likely to cause confusion with an existing mark. 15 U.S.C. § 1052(a), (d).

<sup>22</sup> *Fabrication Enters. v. Hygenic Corp.*, 64 F.3d 53, 57 (2d Cir. 1995) ("A product's 'trade dress,' which involves the 'total image of a product and may include features such as size, shape, color or color combinations, texture [or] graphics,' . . . may be protectable under the Lanham Act." (citations omitted) (quoting *Le Sportsac, Inc. v. K Mart Corp.*, 754 F.2d 71, 75 (2d Cir. 1985))).

nature of the object the reason for the purchase.<sup>23</sup> This section will focus on these two basic requirements for a product's design to function as trade dress.

#### A. *Looking Distinctive*

Trade dress “refers to the appearance of a product when that appearance is used to identify the producer.”<sup>24</sup> For example, we recognize the distinctive shape of the Coca-Cola bottle and the pale pink of Mary Kay cosmetic products. Christian Louboutin shoes are recognized by their distinctive red soles.<sup>25</sup> The feature is “used in such a way that its primary significance in the minds of the prospective consumers is not the product itself, but the identification of the product with a single source, regardless of whether consumers know who or what that source is.”<sup>26</sup> For physical features to serve as a mark:

[T]he appearance must be distinctive by reason of the shape or color or texture or other visible or otherwise palpable feature of the product or its packaging. If it isn't distinctive, it won't be associated in the mind of the consumer with a specific producer. If it is distinctive, and if as a result it comes to identify the producer, the danger arises that the duplication of this appearance, this “trade dress,” by a competing seller will confuse the consumer regarding the origin of the product; the consumer may think it the product of the producer whose trade dress was copied.<sup>27</sup>

Thus, it is in this way that, “[t]rade dress . . . serves the same function as trademark, and is treated the same way by the Lanham Act and the cases interpreting it.”<sup>28</sup> Indeed, trade dress protection is derived from Section 43(a) of the Lanham Act, which “provides protection against deceptive marking, packaging, and advertising of goods or services in commerce, whether or not a registered trademark is involved.”<sup>29</sup> Thus, trade dress protects the features of a product's packaging or the design of the product itself<sup>30</sup> that are a source indicator.<sup>31</sup> “[T]rade dress includes the design of a product (i.e., the product shape

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<sup>23</sup> See *infra*, Part I.B.

<sup>24</sup> *Publ'ns Int'l, Ltd. v. Landoll, Inc.*, 164 F.3d 337, 338 (7th Cir. 1998); see also *Dippin' Dots, Inc. v. Frosty Bites Distrib., LLC*, 369 F.3d 1197, 1202 (11th Cir. 2004) (“‘Trade dress’ involves the total image of a product and may include features such as size, shape, color . . . , texture, graphics, or even particular sales techniques.” (alteration in original) (quoting *AmBrit, Inc. v. Kraft, Inc.*, 812 F.2d 1531, 1535 (11th Cir. 1986))).

<sup>25</sup> *Christian Louboutin S.A. v. Yves Saint Laurent Am. Holding, Inc.*, 696 F.3d 206, 212 (2d Cir. 2012).

<sup>26</sup> Final Jury Instructions at 83, *Apple, Inc. v. Samsung Elecs. Co.*, No. 11-CV-01846-LHK, 2011 WL 7036077 (N.D. Cal. Aug. 12, 2012), 2012 WL 3568795.

<sup>27</sup> *Publ'ns Int'l*, 164 F.3d at 338.

<sup>28</sup> *Id.*

<sup>29</sup> Litman, *supra* note 9, at 79 (footnotes omitted).

<sup>30</sup> *LAFRANCE*, *supra* note 21, at 64.

<sup>31</sup> See *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 28 (2001) (“It is well established that trade dress can be protected under federal law. The design or packaging of a product may acquire a distinctiveness which serves to identify the product with its manufac-



or configuration), the packaging in which a product is sold (i.e., the ‘dressing’ of a product), the color of a product or of the packaging in which a product is sold, and the flavor of a product.”<sup>32</sup>

While trade dress product packaging can be inherently distinctive,<sup>33</sup> product design requires secondary meaning.<sup>34</sup> “[A] design or package which acquires this secondary meaning . . . is a trade dress which may not be used in a manner likely to cause confusion as to the origin, sponsorship, or approval of the goods.”<sup>35</sup> The Lanham Act, however, does not allow the functional features of an object to be used as a source indicator.<sup>36</sup> And,

“a product feature is functional,” and cannot serve as a trademark, “if it is essential to the use or purpose of the article or if it affects the cost or quality of the article,” that is, if exclusive use of the feature would put competitors at a significant non-reputation-related disadvantage.<sup>37</sup>

This statement, reiterated by the Supreme Court in *Traffix Devices, Inc. v. Marketing Displays, Inc.*,<sup>38</sup> echoes the two forms of functionality: the utilitarian and aesthetic features of a product.<sup>39</sup>

#### B. *The Essence of Use and Beauty*

If functionality could be described in two words, they would be “usefulness” and “beauty.” The Seventh Circuit analogized the former to wine, which “is sold corked. The cork is a functional feature of the product, because it ena-

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turer or source; and a design or package which acquires this secondary meaning, assuming other requisites are met, is a trade dress which may not be used in a manner likely to cause confusion as to the origin, sponsorship, or approval of the goods.”).

<sup>32</sup> TMEP § 1202.02 (October 2014).

<sup>33</sup> See *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 776 (1992) (“We agree with the Court of Appeals that proof of secondary meaning is not required to prevail on a claim under § 43(a) of the Lanham Act where the trade dress at issue is inherently distinctive, and accordingly the judgment of that court is affirmed.”).

<sup>34</sup> *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 216 (2000) (“We hold that, in an action for infringement of unregistered trade dress under § 43(a) of the Lanham Act, a product’s design is distinctive, and therefore protectible, only upon a showing of secondary meaning.”).

<sup>35</sup> *Traffix Devices*, 532 U.S. at 28.

<sup>36</sup> 15 U.S.C. § 1052(e)(5) (“No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it . . . [c]onsists of a mark which . . . comprises any matter that, as a whole, is functional.”).

<sup>37</sup> *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 165 (1995) (quoting *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 850 n.10 (1982)).

<sup>38</sup> *Traffix Devices*, 532 U.S. at 28.

<sup>39</sup> See *Christian Louboutin S.A. v. Yves Saint Laurent Am. Holding, Inc.*, 696 F.3d 206, 217 (2d Cir. 2012) (“The ‘functionality’ of a mark can be demonstrated by, *inter alia*, showing that the mark has either traditional ‘utilitarian’ functionality or ‘aesthetic’ functionality.”) (citing *New Colt Holding Corp. v. RJG Holdings of Fla., Inc.*, 312 F.Supp.2d 195, 212 (D. Conn. 2004)).



bles the wine to age properly; and so the first seller of wine could not claim that the cork was his trade dress.”<sup>40</sup> We protect functional improvements with patent and trade secret law; “they cannot be appropriated in the name of trade dress even if they are distinctive.”<sup>41</sup> For the latter term, “beauty,” the court usefully analogized to mink coats, which “are normally sold dyed. The dye does not make the coat any warmer, but it makes it more beautiful, and, once again, it could not be claimed as trade dress by the first furrier to have hit on the idea.”<sup>42</sup>

Both trademark<sup>43</sup> and copyright law<sup>44</sup> prohibit the protection of functional or useful components of the works in question—both consider this to be the province of patent law.<sup>45</sup> Copyright law’s “useful article” doctrine “protects originality rather than novelty or invention.”<sup>46</sup> In tandem with this, “the functionality doctrine marks the boundaries of trade dress protection.”<sup>47</sup>

Now codified in the Lanham Act,<sup>48</sup> the functionality doctrine “has as its genesis the judicial theory that there exists a fundamental right to compete through imitation of a competitor’s product, which right can only be temporarily denied by the patent or copyright laws.”<sup>49</sup> The doctrine “prevents trademark

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<sup>40</sup> *Publ’ns Int’l, Ltd. v. Landoll, Inc.*, 164 F.3d 337, 339 (7th Cir. 1998).

<sup>41</sup> *Id.*

<sup>42</sup> *Id.*

<sup>43</sup> 15 U.S.C. § 1052(e)(5) (2012).

<sup>44</sup> In copyright law, this is known as the “useful article” doctrine. 17 U.S.C. § 102(b) (2012) (“In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.”). *See also* *Mazer v. Stein*, 347 U.S. 201, 203 n.3 (1954) (“[T]he Copyright Act ‘does not refer to articles of manufacture having a utilitarian purpose nor does it provide for a previous examination by a proper tribunal as to the originality of the matter offered for copyright.’” (*quoting Stein v. Expert Lamp Co.*, 188 F.2d 611, 613 (7th Cir. 1951))).

<sup>45</sup> *See, e.g., Baker v. Selden*, 101 U.S. 99, 105 (1879) (“The description of the art in a book, though entitled to the benefit of copyright, lays no foundation for an exclusive claim to the art itself. The object of the one is explanation; the object of the other is use. The former may be secured by copyright. The latter can only be secured, if it can be secured at all, by letters-patent.”), *see also, e.g., Eppendorf-Netheler-Hinz GmbH v. Ritter GmbH*, 289 F.3d 351, 355 (5th Cir. 2002) (“Protection of functional product features is the province of patent law . . . .” (quoting *Abercrombie & Fitch Stores, Inc. v. Am. Eagle Outfitters, Inc.*, 280 F.3d 619, 640 (6th Cir. 2002))).

<sup>46</sup> *Mazer*, 347 U.S. at 218; *see also, Baker*, 101 U.S. at 102 (“To give to the author of the book an exclusive property in the art described therein, when no examination of its novelty has ever been officially made, would be a surprise and a fraud upon the public. That is the province of letters-patent, not of copyright.”).

<sup>47</sup> *I.P. Lund Trading ApS v. Kohler Co.*, 163 F.3d 27, 36 (1st Cir. 1998).

<sup>48</sup> “No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it . . . [c]onsists of a mark which . . . comprises any matter that, as a whole, is functional.” 15 U.S.C. § 1052(e)(5).

<sup>49</sup> *In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332, 1336 (C.C.P.A. 1982).

law, which seeks to promote competition by protecting a firm's reputation, from instead inhibiting legitimate competition by allowing a producer to control a useful product feature."<sup>50</sup> These are features which are likely to be shared by competitors and are unlikely to identify a particular manufacturer.<sup>51</sup> "These features cannot be appropriated; otherwise, competitors would be prevented from duplicating the new product even to the extent permitted by the branches of the law of intellectual property that protect innovation rather than designations of source."<sup>52</sup> Indeed, "product design almost invariably serves purposes other than source identification."<sup>53</sup>

Under the Lanham Act,<sup>54</sup> a finding of functionality means that the product feature in question can never be protected as trade dress—that is, it can never act as a monopoly under the guise that it is acting as an indicator of source or sponsorship.<sup>55</sup> Thus, the non-functionality doctrine's purpose is to facilitate competition by keeping certain useful design features available to all competitors.<sup>56</sup>

### 1. *Utilitarian functionality*

As noted *supra*, courts recognize two forms of functionality: utilitarian and aesthetic.<sup>57</sup> The many diverse cases<sup>58</sup> involving functionality illustrate how

<sup>50</sup> *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164 (1995).

<sup>51</sup> *Dippin' Dots, Inc. v. Frosty Bites Distrib., LLC*, 369 F.3d 1197, 1203 (11th Cir. 2004) (citing *Publ'ns Int'l, Ltd. v. Landoll, Inc.*, 164 F.3d 337, 340 (7th Cir. 1998)).

<sup>52</sup> *Id.* at 1203; *see also* *Publ'ns Int'l, Ltd. v. Landoll, Inc.*, 164 F.3d 337, 339 (7th Cir. 1998) ("[A] seller should not be allowed to obtain in the name of trade dress a monopoly over the elements of a product's appearance that either are not associated with a particular producer or that have value to consumers that is independent of identification. In the lingo of unfair competition, elements of the latter type—elements whose value is not merely signification—are a product's 'functional' features; They [sic] can be either utilitarian in the narrow sense of that word, or aesthetic." (citing *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164–65 (1995))); *Thomas & Betts Corp. v. Panduit Corp.*, 138 F.3d 277, 297–98 (7th Cir. 1998); *W.T. Rogers Co. v. Keene*, 778 F.2d 334, 338–40, 343 (7th Cir. 1985); *Fisher Stoves, Inc. v. All Nighter Stove Works, Inc.*, 626 F.2d 193, 195 (1st Cir. 1980) ("[F]unctional features which are not the subject of a valid patent or copyright may be imitated with impunity.").

<sup>53</sup> *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 213 (2000).

<sup>54</sup> 15 U.S.C. § 1052(e)(5) (2012).

<sup>55</sup> *See Dippin' Dots*, 369 F.3d at 1203.

<sup>56</sup> *Id.* at 1202–03.

<sup>57</sup> *See supra* note 39 and accompanying text. Utilitarian functionality can be either *de facto* or *de jure*. *De facto* functionality means that the design of the product has a function. *De jure* functionality stands for the proposal that a product is in a particular shape because it works better in that shape. *Textron, Inc. v. U.S. Int'l Trade Comm'n*, 753 F.2d 1019, 1025 (Fed. Cir. 1985). These terms have fallen out of favor, as they are associated with the discredited "alternative design" theory of Morton-Norwich.

<sup>58</sup> *See, e.g.*, *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 415–16 (2007); *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 29–30 (2001); *Groeneveld Transp. Efficiency, Inc. v. Lubecore Int'l, Inc.*, 730 F.3d 494, 504–06 (6th Cir. 2013); *Dippin' Dots*, 369 F.3d at 1202–03; *In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332, 1335–36 (C.C.P.A. 1982).

“[t]he line between functionality and non-functionality is not . . . brightly drawn.”<sup>59</sup> The leading cases providing substantive considerations for determining utilitarian functionality are *TrafFix Devices, Inc. v. Marketing Displays, Inc.*,<sup>60</sup> *Inwood Laboratories v. Ives Laboratories*,<sup>61</sup> and *In re Morton-Norwich Products, Inc.*<sup>62</sup> Under *TrafFix Devices*, the Supreme Court emphatically states that an expired utility patent “is strong evidence that the features therein claimed are functional.”<sup>63</sup>

*Morton-Norwich* provides four factors to consider: (1) whether there exists “an expired utility patent which disclosed the utilitarian advantage of the design sought to be registered”; (2) whether the designer touts the utilitarian advantages of the product through advertising; (3) whether “there are other alternatives available”; and (4) whether “a particular design ‘results from a comparatively simple or cheap method of manufacturing.’”<sup>64</sup> However, the “alternative design” theory of *Morton-Norwich* has rightly fallen out of favor with regard to utilitarian functionality. As emphasized by the recent Sixth Circuit decision in *Groeneveld Transport Efficiency, Inc. v. Lubecore International, Inc.*,<sup>65</sup> the Supreme Court’s decision in *TrafFix Devices* repudiates the *Morton-Norwich* focus on the availability of alternative designs and competitive necessity. The appellate court, in deciding whether a grease-pump design was non-functional returned to the test set forth in *TrafFix Devices* and *Inwood Labs*,<sup>66</sup> holding that:

*TrafFix Devices* makes clear that Groeneveld’s argument about the availability of alternative grease-pump designs is misguided. The issue is not whether Lubecore could have designed a grease pump with a different appearance; the issue is whether Groeneveld’s design “is essential to the use or purpose of the article or if it affects the cost or quality of the article.” In other words, the question is whether the overall shape of Groeneveld’s grease pump was substantially influenced by functional imperatives or preferences.<sup>67</sup>

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<sup>59</sup> *Dippin’ Dots*, 369 F.3d at 1203 (quoting *Epic Metals Corp. v. Souliere*, 99 F.3d 1034, 1039 (11th Cir. 1996)).

<sup>60</sup> *TrafFix Devices*, 532 U.S. at 29–30.

<sup>61</sup> *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 850–51 & n.10 (1982).

<sup>62</sup> *Morton-Norwich*, 671 F.2d at 1339–41.

<sup>63</sup> *TrafFix Devices*, 532 U.S. at 29.

<sup>64</sup> See *New England Butt Co. v. Int’l Trade Comm’n*, 756 F.2d 874, 878 (Fed. Cir. 1985) (quoting *Morton-Norwich*, 671 F.2d at 1340–41) (emphasis omitted).

<sup>65</sup> *Groeneveld Transp. Efficiency, Inc. v. Lubecore Int’l, Inc.*, 730 F.3d 494, 506–07 (6th Cir. 2013).

<sup>66</sup> *Inwood*, 456 U.S. at 851 n.10.

<sup>67</sup> *Groeneveld*, 730 F.3d at 506 (quoting *Inwood*, 456 U.S. at 850 n.10).

But regardless of what test is used, they all seek to answer the same question: whether a product feature “is essential to the use or purpose of the article or if it affects the cost or quality of the article.”<sup>68</sup>

## 2. *Aesthetic functionality*

As John Keats poetically observed,

A thing of beauty is a joy for ever:  
Its loveliness increases; it will never  
Pass into nothingness; but still will keep  
A bower quiet for us, and a sleep  
Full of sweet dreams, and health, and quiet breathing.<sup>69</sup>

We are fond of those things that we find attractive. Economically, this translates to us humans having natural proclivity towards buying goods because we like how they look.<sup>70</sup> We find them pretty. And we are attracted to these goods not only because of who made them, but also because it appeals to our aesthetic sensibilities. And we cannot “put competitors at a significant non-reputation-related disadvantage”<sup>71</sup> by allowing the monopolization of attractive features that are not source indicators.

It would be arbitrary as well as puritanical and even philistine to deny that one function of modern consumer packaging is to be beautiful, the motivation being sometimes a hope that the consumer will infer the quality of the product from the beauty of the package and sometimes a hope that the consumer will derive utility (and so be willing to pay more) from the packaging directly, as when a consumer displays a shapely bottle of champagne to his dinner guests.<sup>72</sup>

Trademark does not protect originality; it only protects source identifiers.<sup>73</sup> Thus, a producer cannot monopolize a shape via trade dress protection when the shape does not signify source, but rather would serve to

prevent his competitors from making their products as visually entrancing as his own. . . . [I]f consumers derive a value from the fact that a product looks a cer-

<sup>68</sup> *Dippin’ Dots, Inc. v. Frosty Bites Distrib., LLC*, 369 F.3d 1197, 1203 (11th Cir. 2004) (quoting *Traffix Devices*, 532 U.S. at 32); see also *Traffix Devices*, 532 U.S. at 35 (“Whether a utility patent has expired or there has been no utility patent at all, a product design which has a particular appearance may be functional because it is ‘essential to the use or purpose of the article’ or ‘affects the cost or quality of the article.’” (quoting *Inwood Labs*, 456 U.S. at 851 n.10)).

<sup>69</sup> JOHN KEATS, *ENDYMION*, lines 1–5 (1818), available at <http://www.bartleby.com/126/32.html> (last visited Dec. 20, 2014).

<sup>70</sup> For a general discussion on aesthetic functionality, see Christina Farmer, Note, *Red in the Eye of the Beholder: The Case for Aesthetic Functionality*, 28 *BERKELEY TECH L.J.* 777, 777 (2013).

<sup>71</sup> *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 165 (1995).

<sup>72</sup> *Publ’ns Int’l, Ltd. v. Landoll, Inc.*, 164 F.3d 337, 339 (7th Cir. 1998).

<sup>73</sup> See, e.g., *id.* at 343 (“[T]rademark and trade dress law do not protect originality; they protect signifiers of source.”).

tain way that is distinct from the value of knowing at a glance who made it, then it is a nonappropriable feature of the product.<sup>74</sup>

A feature may be both distinctive as a source identifier and aesthetically pleasing, and determining the reason behind a consumer's purchase is not always easy to determine. An aesthetically pleasing product that, over time, established secondary meaning, would still not be able to claim rights in that feature as a mark.<sup>75</sup> That holds equally true for a utilitarian feature.<sup>76</sup>

Thus, the Supreme Court has made it clear that lower courts are to employ different tests for utilitarian versus aesthetic functionality. In *TrafFix Devices*, the Court reaffirmed its holdings in *Inwood Labs* (utilitarian functionality) and *Qualitex* (aesthetic functionality), that:

[A] feature is . . . functional when it is essential to the use or purpose of the device or when it affects the cost or quality of the device. . . . It is proper to inquire into a "significant non-reputation-related disadvantage" in cases of esthetic functionality, the question involved in *Qualitex*. Where the design is functional under the *Inwood* formulation there is no need to proceed further to consider if there is a competitive necessity for the feature. In *Qualitex*, by contrast, esthetic functionality was the central question, there having been no indication that the green-gold color of the laundry press pad had any bearing on the use or purpose of the product or its cost or quality.<sup>77</sup>

While the factors and tests used to determine functionality are indeed important to the discussion of functionality, they are only tangential to this argument of whether the results of any test—whichever test is used—should be considered a finding of fact or evidentiary conclusion of law.

### C. Burden of Proof

In establishing its prima facie case on a claim of trade dress infringement,<sup>78</sup> the plaintiff of a trade dress infringement suit must show that "(1) the product design of the two products is confusingly similar; (2) the features of the prod-

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<sup>74</sup> *Id.* at 339; *see also* *Dippin' Dots, Inc. v. Frosty Bites Distrib., LLC*, 369 F.3d 1197, 1203 (11th Cir. 2004) ("Under the . . . competitive necessity test . . . generally applied in cases of aesthetic functionality, 'a functional feature is one the exclusive use of [which] would put competitors at a significant non-reputation-related disadvantage.' Where the design is functional under the traditional test, 'there is no need to proceed further to consider if there is a competitive necessity for the feature.'" (quoting *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 32 (2001)) (internal quotation marks omitted)).

<sup>75</sup> *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 33 (2001) (declaring that once functionality is established, whether a design has acquired secondary meaning need not be considered).

<sup>76</sup> *Id.*

<sup>77</sup> *Id.*

<sup>78</sup> 15 U.S.C. § 1125(a)(3) (2012); *see also* *Groeneveld Transp. Efficiency, Inc. v. Lubecore Int'l, Inc.*, 730 F.3d 494, 504 (6th Cir. 2013) ("[N]onfunctionality, secondary meaning, and the likelihood of confusion . . . are *elements* of a trade-dress infringement claim, not *defenses* to such a claim.").

uct design are primarily non-functional; and (3) the product design is inherently distinctive or has acquired secondary meaning.”<sup>79</sup> Thus, because it is one of the elements of the prima facie case, the issue of functionality will often be disputed during a trade dress infringement action. As part of the plaintiff’s prima facie case, “the person who asserts trade dress protection [for an unregistered mark] has the burden of proving that the matter sought to be protected is not functional.”<sup>80</sup> For registered marks, “functionality is an affirmative defense and so the burden of proof rests on the defendant.”<sup>81</sup>

## II. QUESTIONING FACT FINDING

*“No one is dumb who is curious. The people who don’t ask questions remain clueless throughout their lives.”*<sup>82</sup> —Neil deGrasse Tyson

Courts have historically decided functionality as a factual question, yet as examined *infra*, have never provided a meaningful rationale for this. This article argues that the policy and constitutional reasons for treating it as a question of law—specifically as an evidentiary legal conclusion—are stronger than those for treating it as a factual determination. This section illustrates how there has never been a full, comprehensive rationale stated for determining functionality as a finding of fact and considers the ramifications of using this standard.

<sup>79</sup> *Dippin’ Dots*, 369 F.3d at 1202; *see also Groeneveld*, 730 F.3d at 503 (“To prevail on a claim for the infringement of a product-design trade dress, a plaintiff must prove that its allegedly infringed product design (1) is nonfunctional, (2) has acquired secondary meaning, and (3) is confusingly similar to the allegedly infringing product design.”); Litman, *supra* note 9, at 79. (“An action for . . . trade dress infringement under section 43(a) requires allegations that a competitor’s product design or packaging is likely to confuse consumers as to the product’s source, thus falsely designating its origin.”).

<sup>80</sup> 15 U.S.C. § 1125(a)(3). In 1999 the Lanham Act was amended, whereby it was clarified that the burden of proof for an unregistered mark fell upon the plaintiff, as part of their prima facie case, to prove that a trade dress was not functional:

Section 43(a) of the Trademark Act of 1946 (15 U.S.C. 1125(a)) is amended by adding at the end the following:

“(3) In a civil action for trade dress infringement under this Act for trade dress not registered on the principal register, the person who asserts trade dress protection has the burden of proving that the matter sought to be protected is not functional.”

Trademark Amendments Act of 1999, Pub. L. No. 106-43, 113 Stat. 220 (1999).

<sup>81</sup> *Publ’ns Int’l, Ltd. v. Landoll, Inc.*, 164 F.3d 337, 339–340 (7th Cir. 1998); *see also, e.g., Thomas & Betts Corp. v. Panduit Corp.*, 138 F.3d 277, 297 (7th Cir. 1998); Final Jury Instructions at 85, *Apple, Inc. v. Samsung Elecs. Co.*, No. 11-CV-01846-LHK, 2011 WL 7036077 (N.D. Cal. Aug. 12, 2012), 2012 WL 3568795 (“Apple has the burden of proving by a preponderance of the evidence that its unregistered trade dresses are non-functional. Samsung has the burden of proving by a preponderance of the evidence that Apple’s registered iPhone trade dress is functional.”).

<sup>82</sup> Jim Clash, *Neil deGrasse Tyson on Time Travel, Mars & Making Science Easy*, ASKMEN, <http://www.askmen.com/entertainment/right-stuff/neil-degrasse-tyson-interview.html> (last visited Dec. 20, 2014).



### A. *A Finding of Fact*

A “finding of fact” is defined as a “determination by a judge, jury, or administrative agency of a fact supported by the evidence in the record, usu. presented at the trial or hearing.”<sup>83</sup> Whether an issue is decided as a finding of fact or a conclusion at law has important ramifications, including the constitutional right to a jury trial and standard of review prescribed to appellate courts reviewing the decision.

First, under the Seventh Amendment, for a question of fact, the parties have a right to have the issue tried before a jury.<sup>84</sup> “Since Justice Story’s day, we have understood that ‘the right of trial by jury thus preserved is the right which existed under the English common law when the Amendment was adopted.’”<sup>85</sup> Questions of law, on the other hand, exist where there is a controversy concerning the application of law to a set of facts,<sup>86</sup> and are resolved by the court.<sup>87</sup> For the question of determining trademark functionality, the real question of law to be answered is whether the feature at issue is one that falls under the purview of patent law.

A second consequence of the fact-law distinction involves the appellate review. Questions of fact are reviewed via a “clearly erroneous” standard,<sup>88</sup> which does not allow an appellate court to substitute its judgment for that of the jury or finder of fact.<sup>89</sup> However, when a trial court has made a determination as a conclusion at law, the appellate court reviews the decision *de novo*.<sup>90</sup>

<sup>83</sup> BLACK’S LAW DICTIONARY 708 (9th ed. 2009); *see also* Stephen A. Weiner, *The Civil Jury Trial and the Law-Fact Distinction*, 54 CALIF. L. REV. 1867, 1869–70 (1966) (“When there is a dispute as to what acts or events have actually occurred . . . the jury has the task of resolving the conflict. Its role is to evaluate the evidence and to reconstruct what took place, as it would have appeared to an objective on-the-scene observer.”).

<sup>84</sup> U.S. CONST. amend. VII. (“In Suits at common law . . . the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law.”).

<sup>85</sup> *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 376 (1996) (internal citations omitted).

<sup>86</sup> *See* Weiner, *supra* note 83, at 1871 (“[T]he court will have to identify the broad principles by which the parties’ conduct is to be judged.”).

<sup>87</sup> *See*, Paul F. Kirgis, *The Right to a Jury Decision on Questions of Fact Under the Seventh Amendment*, 64 OHIO ST. L.J. 1125, 1127–28 (2003).

<sup>88</sup> FED. R. CIV. P. 52(a)(6) (“Findings of fact, whether based on oral or other evidence, must not be set aside unless clearly erroneous, and the reviewing court must give due regard to the trial court’s opportunity to judge the witnesses’ credibility.”); *see also* Weiner, *supra* note 83, at 1867.

<sup>89</sup> *See, e.g.*, *United States v. Mancillas*, 183 F.3d 682, 695 (7th Cir. 1999) (“Factual findings are reviewed for clear error, and this Court will not substitute its judgment for that of the district court if there is support in the record for the trial court’s findings of fact.”) (citations omitted).

<sup>90</sup> *See* *McMonagle v. Ne. Women’s Ctr., Inc.*, 493 U.S. 901, 904 (1989) (White, J., dissenting) (noting that findings of fact are reviewable under the “clearly erroneous” standard, while conclusions of law are reviewed *de novo*).



*B. The Conclusory Restatement and Treatise*

There is very little evidence supporting the decision to treat functionality as a finding of fact.<sup>91</sup> First, Francis H. Bohlen, the Reporter for the First Restatement of Torts,<sup>92</sup> states in Section 742, Comment a: “The determination of whether or not such features are functional depends upon the question of fact whether prohibition of imitation by others will deprive the others of something which will substantially hinder them in competition.”<sup>93</sup> This comment is based on a concept of functionality that was rejected by the Supreme Court in *TrafFix Devices*.<sup>94</sup> Indeed, this comment did not survive the section’s transfer to the Restatement (Third) of Unfair Competition;<sup>95</sup> its continued reliance should be questioned. The lower courts that rely on the Restatement, discussed *infra*, are basing their treatment of functionality on a faulty foundation.

Furthermore, McCarthy on Trademarks and Unfair Competition is conclusory in its declaration. Without elaborating as to policy reasons or rationales (probably because none exist) the treatise states nothing more than that “[a]ll courts have held that the enquiry as to functionality is a question of fact. This means that on appeal in the federal courts, a finding on functionality is not to be [sic] reversed unless found to be ‘clearly erroneous.’”<sup>96</sup> There is no commentary or rationale for McCarthy’s statements, other than the outdated reliance on the Restatement (First) of Torts.

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Courts have stated that the functionality of trade dress is a question of fact, yet none has ever explained why this is so, or when it has, it has been a superfi-

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<sup>91</sup> Professor Mark Lemley recently published a similar finding concerning patents, noting that:

[W]hile the right to a jury trial on patent validity issues is widely assumed, there is in fact no solid support in modern case law for such a right. The one case to hold that there was such a right, the Federal Circuit panel opinion in *In re Lockwood*, drew a sharp dissent from three members of the appellate court, was taken on *certiorari* by the Supreme Court, and was then vacated by that Court after the patentee withdrew its jury trial demand rather than face Supreme Court review. Nonetheless, both courts and lawyers have based two decades of practice on that uncertain foundation. The resulting practice is a hybrid one that is hard to link to any historical practice.

Mark A. Lemley, *Why Do Juries Decide if Patents are Valid?*, 99 VA. L. REV. 1673, 1675–76 (2013) (citations omitted).

<sup>92</sup> RESTATEMENT (FIRST) OF TORTS intro. (1934).

<sup>93</sup> *Id.* at § 742 cmt. a (1938).

<sup>94</sup> *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 32–33 (2001).

<sup>95</sup> RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 17 cmt. a (1995). No explanation could be found in the record for its removal.

<sup>96</sup> 1 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 7:71 (4th ed. 2014).

cial discourse.<sup>97</sup> The closest that courts come to any rationale is reliance on an outdated Restatement. While not directly addressing trade dress functionality as a finding of fact, Supreme Court alluded to its support of the “finding of fact” standard in *Inwood Labs. v. Ives Labs.*<sup>98</sup> The Court held that the Second Circuit had either disregarded or ignored the district court’s “express finding that, for purposes of § 43(a), the capsule colors [at issue] were functional. . . . [T]he Court of Appeals’ majority either disregarded the District Court’s finding of functionality, or implicitly rejected that finding as not persuasive.”<sup>99</sup> In reversing the Second Circuit, Justice O’Connor, writing for a unanimous court,<sup>100</sup> held that “[t]he appellate court was not entitled simply to disregard the District Court’s finding of functionality. . . . By establishing to the District Court’s satisfaction that uniform capsule colors served a functional purpose, the petitioners offered a legitimate reason for producing an imitative product.”<sup>101</sup>

Thus, while the Supreme Court’s conclusory statement in *Inwood Labs* really does not state what kind of question functionality is (leaving it open to make a definitive statement without necessarily reversing itself), the Court strongly implies that it was proper for district courts to determine trade dress functionality as a finding of fact, and as such appellate courts are to review these findings on a “clearly erroneous” standard.<sup>102</sup> The rationale for its position, however, is never explained—by either it or any lower court.<sup>103</sup>

In *In re Morton-Norwich*, the Court of Customs and Patent Appeals appears to refer to a rationale stating “‘functionality’ is a question of fact.”<sup>104</sup> The court cites to its previous decision, *In re Hollaender Manufacturing Co.*,<sup>105</sup> which in turn relies on the since-removed language from the Restatement (First) of Torts.<sup>106</sup>

<sup>97</sup> See *infra* Part II.D.

<sup>98</sup> *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 857 n.20 (1982).

<sup>99</sup> *Id.* (citing *Inwood Labs., Inc. v. Ives Labs., Inc.*, 638 F.2d at 545 n.1 (2d. Cir. 1981) (Mulligan, J., dissenting)) (internal quotations and citations omitted).

<sup>100</sup> With separate concurrences by Justices White and Rehnquist regarding contributory infringement. *Id.* at 846, 859, 864.

<sup>101</sup> *Id.* at 858 n.20.

<sup>102</sup> *Id.* (stating that the appellate court was not “entitled simply to dismiss the District Court’s finding of functionality as not ‘persuasive.’ If the District Court erred as a matter of law, the Court of Appeals should have identified the District Court’s legal error. If the Court of Appeals disagreed with the District Court’s factual findings, it should not have dismissed them without finding them clearly erroneous.”).

<sup>103</sup> See *infra* Part II.D.

<sup>104</sup> *In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332, 1340 (C.C.P.A. 1982). As noted by Professor Mark McKenna, “*TraFFix* was a response to the *Morton-Norwich* ‘need to copy’ view of functionality.” McKenna, *supra* note 1, at 827.

<sup>105</sup> *In re Hollaender Mfg. Co.*, 511 F.2d 1186, 1188–89 (C.C.P.A. 1975).

<sup>106</sup> RESTATEMENT (FIRST) OF TORTS § 742 (1938). Observe *supra* how this has since been removed from later editions of the Restatement, thus calling its continued reliance into question.

When federal trademark rights have been sought for functional subject matter disclosed in a utility patent, the decisions of this court . . . indicate that the acquisition of such rights will not be allowed in view of the overriding public policy of preventing their monopolization, of preserving the public right to copy. These decisions turned upon the question whether or not the subject matter, for which federal trademark protection was sought, was of a functional nature, *i.e.*, in essence utilitarian or dictated for reasons of engineering efficiency. The utility patent present in each of those cases was used as evidence of the functionality of the involved subject matter.<sup>107</sup>

Yet, as discussed in Part IV, this same rationale can be used to instead support determining functionality—based on its constitutional foundation—as an evidentiary conclusion of law.<sup>108</sup>

#### D. *Circuits in Parallel*

As noted *supra*, an examination of trade dress functionality case law among the circuits revealed that, while each circuit determines functionality as a finding of fact, no panel or judge provided a policy reason or other basis for this. One of the few decisions in which the First Circuit has addressed its use of the “finding of fact” for determining trade dress functionality is *Mark Bric Display Corporation v. Joseph Struhl Company*.<sup>109</sup> This unreported case provides a conclusory statement that “there is at least a question of fact as to whether the trade dress is ‘essential to the use or purpose of the article or if it affects the cost or quality of the article.’”<sup>110</sup> The court cites to *TrafFix Devices*,<sup>111</sup> for the substance of the inquiry, but the First Circuit’s decision to determine this as a finding of fact is entirely its own.

The Second Circuit seems to rely on a vague sentence in *Ives Laboratories, Inc. v. Darby Drug Co.*<sup>112</sup> as support for functionality as a finding of fact. That oft cited section for this determination merely states that “[t]he case for functionality . . . depends on the evidence proffered by defendants that copying whatever colors Ives had chosen served a number of utilitarian purposes essential to effective competition.”<sup>113</sup> Even though this statement could just as easily be interpreted as support for treating functionality as an evidentiary conclusion at law, the Second Circuit instead uses the sentence to leap to the same conclusion reached by the Ninth Circuit when it relied on *Ives* in *Vuitton et Fils S.A. v. J. Young Enterprises* to pronounce that “[t]he issue of functionality has been

<sup>107</sup> *Hollaender*, 511 F.2d at 1188 (quoting *In re Honeywell*, 497 F.2d 1344, 1348 (C.C.P.A. 1974)) (citations and internal quotation marks omitted).

<sup>108</sup> See *infra* Part IV.A.

<sup>109</sup> *Mark Bric Display Corp. v. Joseph Struhl Co.*, No. C.A. 98-532ML, 2003 WL 21696318 (D.R.I. July 9, 2003).

<sup>110</sup> *Id.* at \*6 (quoting *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 32 (2001)).

<sup>111</sup> *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 32 (2001).

<sup>112</sup> *Ives Labs., Inc. v. Darby Drug Co.*, 601 F.2d 631 (2d Cir. 1979).

<sup>113</sup> *Id.* at 643.

consistently treated as a question of fact.”<sup>114</sup> The Second Circuit relies on this conclusory, yet questionable, sentence going forward in such cases as *LeSportsac, Inc. v. K Mart Corp.*<sup>115</sup> and *Fun-Damental Too, Ltd. v. Gemmy Industries Corp.*<sup>116</sup>

In the Third Circuit, Judge Higginbotham’s opinion in *Ciba-Geigy Corp. v. Bolar Pharmaceuticals Co.*<sup>117</sup> relies on the unsupported, conclusory statement made in *Inwood Labs* in holding that a “finding of nonfunctionality [sic] is a finding of fact.”<sup>118</sup> Very recently, the Fourth Circuit made its first statement on this matter. In *McAirlaids, Inc. v. Kimberly-Clark Corp.*, the appellate panel noted that “[f]unctionality . . . is a question of fact that, like other factual questions, is generally put to a jury.”<sup>119</sup> In her pronouncement, Judge Duncan (writing for a unanimous panel)—like many before her—relied on other circuit courts’ conclusory statements.<sup>120</sup>

The Fifth Circuit uses the circular argument that “the issue of functionality has consistently been treated as a question of fact” by wrapping through several decisions containing this conclusory statement until landing onto *Vuitton*.<sup>121</sup> In *Ferrari v. Roberts*,<sup>122</sup> the Sixth Circuit states that “[f]unctionality is a factual determination reviewed only for clear error,”<sup>123</sup> relying on the Second Circuit’s conclusory statement in *LeSportsac*.<sup>124</sup>

The Seventh Circuit comes closest to stating a reason for determining functionality as a finding of fact. In *Specialized Seating, Inc. v. Greenwich Indus-*

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<sup>114</sup> *Vuitton et Fils S.A. v. J. Young Enters.*, 644 F.2d 769, 775 (9th Cir. 1981).

<sup>115</sup> *LeSportsac, Inc. v. K Mart Corp.*, 754 F.2d 71, 76 (2d Cir. 1985).

<sup>116</sup> *Fun-Damental Too, Ltd. v. Gemmy Indus. Corp.*, 111 F.3d 993, 1002 (2d Cir. 1997) (“Whether a trade dress is or is not functional is a question of fact disturbed on appeal only if clearly erroneous.”) (citing *LeSportsac*, 754 F. 2d at 77).

<sup>117</sup> *Ciba-Geigy Corp. v. Bolar Pharm. Co.*, 747 F.2d 844, 850 (3d Cir. 1984).

<sup>118</sup> *Id.*

<sup>119</sup> *McAirlaids, Inc. v. Kimberly-Clark Corp.*, 756 F.3d 307, 310 (4th Cir. 2014).

<sup>120</sup> Judge Duncan relies on unsubstantiated statements in the cases of *In re Becton, Dickinson & Co.*, 675 F.3d 1368, 1372 (Fed. Cir. 2012) and *Clicks Billiards, Inc. v. Sixshooters Inc.*, 251 F.3d 1252, 1258 (9th Cir. 2001). Everyone seems to be relying on someone else, without ever providing a reason other than “well, that’s what everyone else is doing.” There is no actual rationale ever provided, by anyone.

<sup>121</sup> See *Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526, 537 (5th Cir. 1998) (“The functionality, distinctiveness, or secondary meaning of a mark or trade dress and the existence of a likelihood of confusion are questions of fact.”) (citing *Epic Metals Corp. v. Souliere*, 99 F.3d 1034, 1037 (11th Cir. 1996)). *Epic Metals* quotes *John H. Harland Co. v. Clarke Checks, Inc.*, 711 F.2d 966, 982 (11th Cir. 1983) (“The issue of functionality has been consistently treated as a question of fact.”). *Harland* relies on *Vuitton*. Every decision found relies on a previous declaration, but no one discusses the reasons for functionality to be determined as a finding of fact.

<sup>122</sup> *Ferrari S.P.A. Esercizio v. Roberts*, 944 F.2d 1235, 1246 (6th Cir. 1991).

<sup>123</sup> *Id.*

<sup>124</sup> *LeSportsac, Inc. v. K Mart Corp.*, 754 F.2d 71, 76 (2d Cir. 1985).

tries, *L.P.*<sup>125</sup> the court asserts that “[f]unctionality” certainly isn’t an issue of law; it represents a fact-specific conclusion about whether aspects of a design are ‘essential to the use or purpose of the article or if it affects the cost or quality of the article.’”<sup>126</sup>

The Ninth Circuit’s conclusion that functionality is a finding of fact goes back to its reliance on the questionable sentence in *Ives Labs.*,<sup>127</sup> which it transformed from a persuasive cite into its own holding in *Vuitton*.<sup>128</sup> The Tenth and Eleventh Circuits provide similarly conclusory statements regarding functionality as a finding of fact.<sup>129</sup> The Federal Circuit and the Trademark Trial and Appeal Board have likewise used merely conclusory statements to support their appellate review of functionality as a question of fact.<sup>130</sup>

### III. IT’S PATENTLY OBVIOUS

*“The great discoveries are usually obvious.”*<sup>131</sup>—Philip Crosby

As stated *supra*, using a factually based legal conclusion—similar to that used for finding nonobviousness in patent law—is the proper standard for determining non-functionality and should be adopted by the courts. This section provides a constitutional rationale, while the section which follows discusses public policy arguments for determining functionality as an evidentiary conclusion at law.

A constitutional basis for treating a question of functionality as an issue at law, resulting in an evidentiary conclusion at law, is founded in the following

<sup>125</sup> *Specialized Seating, Inc. v. Greenwich Indus.*, 616 F.3d 722, 726 (7th Cir. 2010).

<sup>126</sup> *Id.* (quoting *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 850 n.10 (1982)); *see also* *Georgia-Pacific Consumer Prods. LP v. Kimberly-Clark Corp.*, 647 F.3d 723, 727, 732 (7th Cir. 2011) (holding functionality is an issue of fact that can be found on summary judgment; affirmed summary judgment that a product design was functional).

<sup>127</sup> *Ives Labs., Inc. v. Darby Drug Co.*, 601 F.2d 631, 643 (2d Cir. 1979).

<sup>128</sup> *Vuitton et Fils S.A. v. J. Young Enters.*, 644 F.2d 769, 775 (9th Cir. 1981) (“The issue of functionality has been consistently treated as a question of fact.”); *see also* *Vision Sports, Inc. v. Melville Corp.*, 888 F.2d 609, 614 (9th Cir. 1989) (“Functionality is a question of fact, reviewed under the clearly erroneous standard.”).

<sup>129</sup> *See, e.g.*, *Epic Metals Corp. v. Souliere*, 99 F.3d 1034, 1037 (11th Cir. 1996) (“The issue of functionality is a question of fact.”); *Brunswick Corp. v. Spinit Reel Co.*, 832 F.2d 513, 520 (10th Cir. 1987) (“Whether a product feature is functional is a factual finding and is therefore reviewed under the clearly erroneous standard.”).

<sup>130</sup> *See, e.g.*, *Valu Eng’g, Inc. v. Rexnord Corp.*, 278 F.3d 1268, 1273 (Fed. Cir. 2002) (“Functionality is a question of fact.”) (construing *In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332, 1340 (C.C.P.A. 1982)); *In re Am. Nat’l Can Co.*, 41 U.S.P.Q.2d (BNA) 1841, 1843 (T.T.A.B. 1997) (“The determination of functionality is a question of fact.”) (citing J. THOMAS MCCARTHY, TRADEMARKS AND UNFAIR COMPETITION § 7.26[3][c] at 7-125 (3d ed. 1992)). The Court of Customs and Patent Appeals has also voiced its opinion that functionality is a question of fact. *See Sparklets Corp. v. Walter Kidde Sales Co.*, 104 F.2d 396, 399 (C.C.P.A. 1939) (“Whether the . . . feature did have utility is a question of fact.”).

<sup>131</sup> PHILIP B. CROSBY, THE ETERNALLY SUCCESSFUL ORGANIZATION 30 (1988).

premise: what courts are really trying to resolve with the question of functionality is whether this feature is something that should be governed by patent law. And, in many ways, non-functionality closely resembles patent law's obviousness standard, for which courts make an evidentiary legal conclusion based on the underlying facts. As such, this section also analogizes the current standard for determining obviousness in patent law with the trademark functionality doctrine.

#### A. *Relative Obviousness*

The Supreme Court has specifically rejected determining patent validity with regard to obviousness as a "finding of fact" because "[t]he standard of patentability is a constitutional standard; and the question of validity of a patent is a question of law."<sup>132</sup> In *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp.*, the Court stated that it had previously held that:

[T]his Court will not disturb a finding of invention made by two lower courts, in absence of a very obvious and exceptional showing of error. That rule, imported from other fields, never had a place in patent law. Having served its purpose in *Graver Tank & Mfg. Co. v. Linde Air Products Co.*, it is now in substance rejected. The Court now recognizes what has long been apparent in our cases: that it is the "standard of invention" that controls. That is present in every case where the validity of a patent is in issue. It is that question which the Court must decide. No "finding of fact" can be a substitute for it in any case. The question of invention goes back to the constitutional standard in every case. We speak with final authority on that constitutional issue as we do on many others.<sup>133</sup>

More recently the Supreme Court reaffirmed this in *KSR International v. Teleflex*.<sup>134</sup> Patentability is a constitutional standard, determined as a question of law.<sup>135</sup> As such, "[t]he determination of obviousness under 35 U.S.C. § 103

<sup>132</sup> *Great Atl. & Pac. Tea Co. v. Supermarket Equip. Corp.*, 340 U.S. 147, 155 (1950) (citing *Mahn v. Harwood*, 112 U.S. 354, 358 (1884)); see also Wesley A. Demory, *Patent Claim Obviousness in Jury Trials: Where's the Analysis?*, 6 J. BUS. & TECH. L. 449, 450 (2011) (summarizing that "[t]he Supreme Court in *Graham v. John Deere Co.* established that the ultimate determination as to patent obviousness is a matter of law based on four underlying factual inquiries. In 2007, the Court in *KSR International Co. v. Teleflex, Inc.* reaffirmed the *Graham* analysis and the principle that obviousness is a matter of law." (footnotes omitted)). Several scholars, however, have questioned whether obviousness should be treated as a question of law, even though the Supreme Court affirmed this standard in *KSR*. See, e.g., Daralyn J. Durie & Mark A. Lemley, *A Realistic Approach to the Obviousness of Inventions*, 50 WM. & MARY L. REV. 989, 1013–15 (2008); Michael J. Meurer & Katherine J. Strandburg, *Patent Carrots and Sticks: A Model of Nonobviousness*, 12 LEWIS & CLARK L. REV. 547, 573–74 (2008).

<sup>133</sup> *Great Atl. & Pac. Tea Co.*, 340 U.S. at 155–56 (construing *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, 336 U.S. 271, 275 (1949)).

<sup>134</sup> *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 427 (2007) ("The ultimate judgment of obviousness is a legal determination.").

<sup>135</sup> See, e.g., *Graham v. John Deere Co. of Kan. City*, 383 U.S. 1, 17 (1966) ("While the ultimate question of patent validity is one of law, the § 103 condition [obviousness], which is



is a legal conclusion based on underlying facts.”<sup>136</sup> And while the “underlying factual determinations are reviewed to ascertain whether they are supported by substantial evidence,”<sup>137</sup> courts give *de novo* review to the legal conclusion of obviousness.<sup>138</sup>

### B. *Functionally Obvious*

For obviousness, the ultimate conclusion is one of law, but it depends on underlying factual determinations. By analogizing to obviousness in patent law, one can argue that the evidentiary conclusions at law that are made based on a factual inquiry should also be the standard for trade dress functionality. After all, when a court is examining a feature of a trade dress to determine whether it is functional, what a court is really asking is whether the feature is something for which patent law is available. Courts have continuously held that “[p]rotection of functional product features is the province of patent law.”<sup>139</sup> Therefore, it too should be determined as a question of law.

Using this form of inquiry would further lessen the importance of the oft-criticized<sup>140</sup> and somewhat discredited “competitive need” factor of *Morton-*

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but one of three conditions, each of which must be satisfied, lends itself to several basic factual inquiries.”); see also Joshua D. Sarnoff, Bilcare, KSR, *Presumptions of Validity, Preliminary Relief, and Obviousness in Patent Law*, 25 CARDOZO ARTS & ENT. L.J. 995, 1001 (2008). Professor Sarnoff notes that novelty, enablement and written description also have judicial underpinnings as legal determinations. For example, in footnote 25, he notes that in *Hybritech Inc. v. Monoclonal Antibodies, Inc.*, 802 F.2d 1367, 1375–76 (Fed. Cir. 1986), the Federal Circuit held that “[p]rior invention is a question of law, requiring like other validity issues proof of the facts by clear and convincing evidence in light of the presumption of validity in 35 U.S.C. § 282.”

<sup>136</sup> *In re Arora*, 369 F. App’x 120, 121 (Fed. Cir. 2010) (citing *In re Kumar*, 418 F.3d 1361, 1365 (Fed. Cir. 2005)); see also *Graham*, 383 U.S. at 17; *Mahn v. Harwood*, 112 U.S. 354, 358 (1884) (“In cases of patents for inventions, a valid defense, not given by the statute, often arises where the question is whether the thing patented amounts to a patentable invention. This being a question of law, the courts are not bound by the decision of the commissioner, although he must necessarily pass upon it.”). In addition, it has been inferred that all inquiries into patent validity—including novelty and usefulness—should be determined as conclusions at law. See Lemley, *supra* note 91, at 1712.

<sup>137</sup> *In re Kumar*, 418 F.3d 1361, 1365 (Fed. Cir. 2005); see also *Alza Corp. v. Mylan Labs., Inc.*, 464 F.3d 1286, 1289 (Fed. Cir. 2006) (“Obviousness is a question of law, reviewed *de novo*, based upon underlying factual questions which are reviewed for clear error following a bench trial.”).

<sup>138</sup> *Kumar*, 418 F.3d at 1365; see also *Novo Nordisk A/S v. Caraco Pharm. Labs., Ltd.*, 719 F.3d 1346, 1354 (Fed. Cir. 2013) (“On appeal from a bench trial on obviousness, we review *de novo* the court’s the [sic] ultimate legal conclusion of whether a claimed invention would have been obvious, and review the underlying findings of fact for clear error.”); *Pregis Corp. v. Kappos*, 700 F.3d 1348, 1354 (Fed. Cir. 2012) (“This court reviews a jury’s conclusions on obviousness *de novo*, and the underlying findings of fact, whether explicit or implicit in the verdict, for substantial evidence.” (internal quotation marks omitted)).

<sup>139</sup> *Eppendorf-Netheler-Hinz GMBH v. Ritter GMBH*, 289 F.3d 351, 355 (5th Cir. 2002).

<sup>140</sup> See generally McKenna, *supra* note 1.



*Norwich*,<sup>141</sup> and rely more heavily on a query focusing on whether the feature in question is one which “is the province of patent law.”<sup>142</sup> If functionality were primarily about competitive need—the now-rejected holding in *Morton-Norwich*—then it would be more of a factual inquiry. The Supreme Court, in rejecting the “competitive need” view of functionality in *TrafFix Devices*, stated that functionality “is not simply about competitive need for product features; it is also, even primarily, intended to police the boundary between trademark and patent law by channeling protection of useful product features exclusively to the patent system.”<sup>143</sup>

Courts could analogize utility patents to utilitarian functionality, and design patents for aesthetic functionality. However, a court determining functionality using this analogy would not address whether the product’s features are actually patentable, only whether they are the kind of thing for which patent law is available generally—even if these features are, for example, obvious.

Even the Reporter’s note in the Restatement (First) of Torts—in spite of its “finding of fact” conclusory statement<sup>144</sup>—can be interpreted to support this new standard for determining trademark functionality, through his insinuation that a non-functional feature is one that does not affect the actual performance of the product:

A feature is non-functional if, when omitted, nothing of substantial value in the goods is lost. A feature which merely associates goods with a particular source may be, like a trade-mark or trade name, a substantial factor in increasing the marketability of the goods. But if that is the entire significance of the feature, it is non-functional; for its value then lies only in the demand for goods associated with a particular source rather than for goods of a particular design.<sup>145</sup>

Features that affect the performance of a product—one form of functionality—are generally governed by patent law. The Reporter’s comment regarding features that affect the functioning of an object goes to the heart of defining an invention and thus what is covered under patent law.

Both utilitarian and aesthetic functionality can be determined on the basis of whether the features in question should be subject to patent law. The analogy between utilitarian functionality and utility patents is almost too obvious. As noted *supra*, one of the major factors in determining utilitarian functionality of a trade dress is whether the feature was the subject of a patent.<sup>146</sup> Aesthetic functionality can be correlated to design patents: patent protection for designs extends to “any new, original and ornamental design for an article of manufac-

<sup>141</sup> *In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332, 1340 (C.C.P.A. 1982).

<sup>142</sup> *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164–65 (1995).

<sup>143</sup> McKenna, *supra* note 1, at 827–28.

<sup>144</sup> See *supra* notes 92–93 and accompanying text.

<sup>145</sup> RESTATEMENT (FIRST) OF TORTS § 742 cmt. a (1938).

<sup>146</sup> *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 28–30 (2001).

ture.”<sup>147</sup> Indeed, under the current system, a design patent’s focus is solely on the aesthetic and ornamental aspects of the design.<sup>148</sup> As noted by Professor McKenna:

[I]t is important to recognize that features can serve at least two different types of functions—they may play a role in the product’s utilitarian performance, making it work better for its intended use, or they may play a role in meeting consumer expectations. It makes sense to differentiate these types of functionality because they interact with patent law in different ways: features related to mechanical function implicate a concern about overlap with the utility patent system, while features needed because of consumer expectations do not. The latter type of features, however, which might include color and shape, might well be features subject to design patent protection.<sup>149</sup>

### C. *Factual Inquiries as Issues at Law*

Reaching a legal conclusion based on underlying facts is nothing new in patent litigation. Courts have already learned how to use factual inquiries to reach an evidentiary conclusion at law. Indeed, in *Graham v. John Deere*, the Supreme Court resolved this paradox of using facts to reach a legal conclusion:

While the ultimate question of patent validity is one of law, the § 103 condition, which is but one of three conditions, each of which must be satisfied, lends itself to several basic factual inquiries. Under § 103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background, the obviousness or nonobviousness of the subject matter is determined.<sup>150</sup>

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<sup>147</sup> 35 U.S.C. § 171(a) (2012).

<sup>148</sup> See, e.g., *Kohler Co. v. Moen Inc.*, 12 F.3d 632, 648 (7th Cir. 1993) (“[I]f functional matter not protected by a utility patent is available for all to copy, then it follows that ornamental or aesthetic designs not protected by design patents are also free for everyone to copy.”); *Carman Indus., Inc. v. Wahl*, 724 F.2d 932, 939 n.13 (Fed. Cir. 1983) (“Utility patents afford protection for the mechanical structure and function of an invention whereas design patent protection concerns the ornamental or aesthetic features of a design.”); *Warbern Packaging Indus., Inc. v. Cut Rate Plastic Hangers, Inc.* 652 F.2d 987, 988 n.1 (2d Cir. 1981) (“A design patent has been defined to include an article that is ornamental, a product of aesthetic skill and artistic conception.”); see also Mark P. McKenna & Katherine J. Strandburg, *Progress and Competition in Design*, 17 STAN. TECH. L. REV. 1, 45 (2013). For a discussion on some of the issues plaguing aesthetic functionality, including the lack of any “right to copy” view that the Supreme Court states in *Traffix Devices*, see McKenna, *supra* note 1, at 848.

<sup>149</sup> McKenna, *supra* note 1, at 854.

<sup>150</sup> *Graham v. John Deere Co. of Kan. City*, 383 U.S. 1, 17 (1966) (citations omitted); see also *Microsoft Corp. v. i4i Ltd. P’ship*, 131 S. Ct. 2238, 2242–43 (2011) (holding that “the ultimate question of patent validity is one of law”); *Retractable Techs., Inc. v. Becton, Dickinson & Co.*, 653 F.3d 1296, 1310 (Fed. Cir. 2011) (“Although the ultimate determination of obviousness under § 103 is a question of law, it is based on several underlying factual findings . . . . When a party appeals a jury verdict of nonobviousness, we first review the jury’s

The Supreme Court also recognized that with factual inquiries, there will be problems in their application. “What is obvious is not a question upon which there is likely to be uniformity of thought in every given factual context. The difficulties, however, are comparable to those encountered daily by the courts . . . and should be amenable to a case-by-case development.”<sup>151</sup> But the Court believed that this would lead to the “uniformity and definiteness which Congress called for in the 1952 Act.”<sup>152</sup>

When a jury is charged with determining non-obviousness, it is merely an advisory jury, whereby the jury is given a legal issue to decide, but the “ultimate determination is reserved for the court.”<sup>153</sup> While a judge is free to submit legal issues to a jury (provided they are accompanied by appropriate instructions on the law), “[t]here is no question that the judge must remain the ultimate arbiter on the question of obviousness.”<sup>154</sup>

Tests for non-obviousness are constantly examined and refined by the courts.<sup>155</sup> In 2007, the Supreme Court again attempted to give guidance to a determination of obviousness in *KSR International v. Teleflex*.<sup>156</sup> Likewise, there are difficulties with the current functionality tests of *Morton-Norwich*,<sup>157</sup> *Qualitex*,<sup>158</sup> and *TrafFix Devices*.<sup>159</sup> But regardless of the test, this does not preclude these factual inquiries from being resolved as evidentiary conclusions of law, as patentability issues currently are.

#### IV. UNDEVELOPED FUNCTIONALITY

*Now, jurymen, hear my advice—  
All kinds of vulgar prejudice  
I pray you set aside:  
With stern judicial frame of mind,  
From bias free of every kind,  
This trial must be tried!*<sup>160</sup>  
—William Gilbert

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underlying factual findings for substantive evidence. After conducting this review, we independently review the district court’s legal conclusion on obviousness.” (citations omitted)).

<sup>151</sup> *Graham*, 383 U.S. at 18.

<sup>152</sup> *Id.*

<sup>153</sup> *Kinetic Concepts, Inc. v. Smith & Nephew, Inc.*, 688 F.3d 1342, 1358 (Fed. Cir. 2012).

<sup>154</sup> *Id.* at 1358–59 (quoting *R.R. Dynamics, Inc. v. A. Stucki Co.*, 727 F.2d 1506, 1515 (Fed. Cir. 1984)).

<sup>155</sup> *C.f.* Richard L. Robbins, Note, *Subtests of “Nonobviousness”: A Nontechnical Approach to Patent Validity*, 112 U. PA. L. REV. 1169, 1169–70 (1964).

<sup>156</sup> *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 427 (2007).

<sup>157</sup> *In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332, 1340–41 (C.C.P.A. 1982).

<sup>158</sup> *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164–70 (1995).

<sup>159</sup> *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 29–33 (2001).

<sup>160</sup> Athur Sullivan & W.S. Gilbert, *Trial by Jury* (originally performed 1875), reprinted in PERCY FITZGERALD, *THE OPERAS OF GILBERT AND SULLIVAN* 23, 24 (1894).

This section first briefly discusses the basic public policy which deems that indefinite monopolies over useful articles are not in the public interest. It then asserts two policy reasons for changing the determination of functionality to an evidentiary conclusion at law. The first relates to several basic difficulties faced when juries try to make a functionality determination for trade dress, including poorly drafted instructions and a lack of understanding of functionality by the jury. Second, the “black box” of a jury does not provide a rationale for its decision, increasing the likelihood of appeal, and doing nothing to develop a robust functionality doctrine for the courts to follow.

#### A. *Limiting Monopolies*

The courts and Congress have reiterated that a monopoly over functional features is to be limited. As noted *supra*, this has a constitutional basis.

[T]he public policy underlying the functionality doctrine . . . is to channel the legal protection of useful designs from the realm of trademark to that of patent. Such channeling ensures that the high public costs of monopoly are not imposed without an assurance that the design satisfies the rigorous requirements of patentability, including novelty and nonobviousness, and is protected for only a limited period of time.<sup>161</sup>

In *Groeneveld Transport v. Lubecore*, the Sixth Circuit affirms the public policy declared by the Supreme Court in *Qualitex*: “If a product’s functional features could be used as trademarks . . . a monopoly over such features could be obtained without regard to whether they qualify as patents and could be extended forever.”<sup>162</sup> “Were the law otherwise, it would be possible for a manufacturer or dealer, who is unable to secure a patent on his product or on his design, to obtain a monopoly on an unpatentable device by registering it as a trade-mark.”<sup>163</sup>

Indeed, as noted by Professors McKenna and Strandburg, trademark law “subordinates its own policy goals to the dynamic competition goals of utility patent law, reserving to utility patent the responsibility for determining the circumstances under which utilitarian features may be copied by others”<sup>164</sup> in what they term the “patent law supremacy” principle.<sup>165</sup> The authors’ hierarchy

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<sup>161</sup> *Groeneveld Transp. Efficiency, Inc. v. Lubecore Int’l, Inc.*, 730 F.3d 494, 508 (6th Cir. 2013).

<sup>162</sup> *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164–65 (1995); *see also* *Alan Wood Steel Co. v. Watson*, 150 F. Supp. 861, 862 (D.D.C. 1957) (“The potential consequences to the public might be very serious, because while a patent is issued for only a limited term, a trade-mark becomes the permanent property of its owner and secures for him a monopoly in perpetuity.”).

<sup>163</sup> *Alan Wood Steel Co.*, 150 F. Supp. at 862.

<sup>164</sup> McKenna & Strandburg, *supra* note 148, at 19.

<sup>165</sup> *Id.* at 18–19.

gives supremacy to the regime with the shortest monopoly (patents), and at the bottom of the list,<sup>166</sup> that form which is subordinate to the others (i.e., has an indefinite term<sup>167</sup>) yields to the others.

This public policy for not allowing perpetual trademark protection—and thus an indefinite monopoly over functional features—circles back to discussion in Part III *supra*. And, as discussed *supra*, because patent validity is a constitutional foundation for allowing monopolies over functional features only for a limited time, and only as a grant of this monopolistic right from the U.S. Government, this should be treated as an issue at law.

### B. *Difficult Instructions, Confused Jurors*

There are several problems when complex issues such as functionality are left in the hands of a jury. First, jury instructions have been known to mix up utilitarian and aesthetic functionality and include elements from both tests into a single analysis, rather than considering them as two separate forms of functionality.<sup>168</sup> As discussed *supra*, each type has unique factors to consider that, if applied to the other type of functionality, could lead to an incorrect conclusion. Second, instructions may have juries erroneously including product elements that should not be considered in a functionality analysis or misstate the law.

For example, during the trademark infringement action brought by Groeneveld Transport Efficiency against Lubecore International (regarding the trade dress of a grease pump), the trial court's confused instructions regarding functionality had the jurors considering not just the appearance of the pump's trade dress external shape and appearance, but also the logo and color of the pump, even though the pump's trade dress did not include the latter two items.<sup>169</sup> In addition, "the District Court's instruction mixed elements of the definition of functionality embraced by the Supreme Court in *TrafFix* with considerations of competitive need that are irrelevant in a case of mechanical functionality."<sup>170</sup> In addition, the District Court's instructions included applying the "non-reputation-related disadvantage" test, which is used in cases of

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<sup>166</sup> See *id.* at 19.

<sup>167</sup> Ownership in a mark is perpetual, as long as the owner continues to use the mark in commerce as a source indicator, and does not abandon it, allow it to become generic, assigns it in gross or allows for naked licensing.

<sup>168</sup> See *supra* notes 40–80 and accompanying text.

<sup>169</sup> *Groeneveld Transp. Efficiency, Inc. v. Lubecore Int'l, Inc.*, 730 F.3d 494, 502 (6th Cir. 2013) ("Count 1 was subsequently submitted to the jury in the form of . . . three interrogatories, which track the three elements of a trade-dress claim: 1. Do you find that Plaintiff Groeneveld proved by a preponderance of the evidence that its Trade Dress (the external shape and appearance of the pump, including logo and color) are non-functional?"); see also Brief of Amici Curiae Intellectual Prop. Law Professors in Support of Appellant Lubecore Int'l, Inc. and Reversal at 3–4, *Groeneveld*, 730 F.3d 494.

<sup>170</sup> Brief of Amici Curiae, *supra* note 169, at 4.

aesthetic functionality, not utilitarian functionality.<sup>171</sup> Thus, jury instructions that confuse the tests for aesthetic and utility functionality, lead to an appellate decision that remands the case to the lower court for a new factual determination, or for a factual finding by the appellate court based on the correct instructions, on review of a Judgment as a Matter of Law (“JMOL”).<sup>172</sup>

The *Apple v. Samsung* litigation similarly illustrates the problem of trying to provide adequate instructions to the jury and using the incorrect test for non-functionality. First, the length (109 pages) of the jury instructions show that attempting to “teach” the jurors can create an unwieldy burden on both the court and the jurors. Second, with regard to the section on trade dress dilution and infringement, the jury instructions regarding trade dress non-functionality include the discredited *Morton-Norwich* factor of the availability of alternative designs.<sup>173</sup> Finally, the court’s instructions incorrectly inform the jury that “the fact that the feature contributes to consumer appeal and saleability of the product does not mean that the trade dress is necessarily functional,”<sup>174</sup> precluding any possibility of a finding of aesthetic functionality. In addition, Judge Koh’s verbal instructions fail to adequately instruct the jurors, despite Judge Koh’s statement in the Preliminary Jury Instructions provided at the beginning of the trial that she “will explain what a trade dress is.”<sup>175</sup>

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<sup>171</sup> *Id.* at 5–6; see also *Groeneveld*, 730 F.3d at 506 (“Discussing trademarks, we have said[,] in general terms, a product feature is functional, and cannot serve as a trademark, if it is essential to the use or purpose of the article or if it affects the cost or quality of the article. Expanding upon the meaning of this phrase, we have observed that a functional feature is one the exclusive use of which would put competitors at a significant non-reputation-related disadvantage. The Court of Appeals [in *Traffix Devices*, reversed by the Supreme Court] seemed to interpret this language to mean that a necessary test for functionality is whether the particular product configuration is a competitive necessity. This was incorrect as a comprehensive definition. As explained in [*Qualitex* and *Inwood Labs*], a feature is also functional when it is essential to the use or purpose of the device or when it affects the cost or quality of the device. . . . Where the design is functional under the *Inwood* formulation there is no need to proceed further to consider if there is a competitive necessity for the feature.” (quoting *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 32–33 (2001))).

<sup>172</sup> See *infra* Part IV.C.

<sup>173</sup> Final Jury Instructions at 84, *Apple, Inc. v. Samsung Elecs. Co.*, No. 11-CV-01846-LHK, 2011 WL 7036077 (N.D. Cal. Aug. 12, 2012), 2012 WL 3568795 (“2. Availability of Alternate Designs. In considering this factor, you may examine whether an alternate design could have been used, so that competition in the market for that type of product would not be hindered by allowing only one person to exclusively use the particular design or configuration. For this to be answered in the affirmative, the alternatives must be more than merely theoretical or speculative. They must be commercially feasible. The unavailability of a sufficient number of alternate designs weighs in favor of finding the design or feature is functional.”).

<sup>174</sup> *Id.*

<sup>175</sup> Preliminary Jury Instructions at 23, *Apple Inc. v. Samsung Elecs. Co.*, No. 11-CV-01846-LHK, 2011 WL 7036077 (N.D. Cal. Aug. 21, 2012), 2012 WL 3204612. Judge Koh first states, “Ladies and gentlemen: You are now the jury in this case. It is my duty to instruct you on the law. These instructions are preliminary instructions to help you understand



“[T]he line between ‘fact’ and ‘law’ in many trademark claims . . . is sometimes a fuzzy one, and the demarcation between them is made even more difficult by ill-defined statutory terms.”<sup>176</sup> Dealing with these difficulties place jurors in an untenable situation, especially with regard to functionality, where the jury is attempting to draw the line between patent law and trademark law. “[J]urors are at a serious disadvantage in their decision-making due to a paucity of important information.”<sup>177</sup> The decision has a critical impact on what works are created in the future, and whether innovation will be hindered, stifled, or encouraged.<sup>178</sup>

Yet, even the most well-conceived, thorough instructions fail in a large manner, because factual inquiries by a jury do nothing to provide a rationale for the jury’s findings. The jurors are merely responding “Yes” or “No” to a series of questions and no explanation is required, expected, or even desired by the court.<sup>179</sup> Yet, again analogizing to patent validity, “rejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.”<sup>180</sup> Perhaps jury instructions could be worded in ways to mitigate this effect; however, the argument of improper jury instructions would be a continual source of appeal. Whether there can be a model jury instruction that satisfies all facets of functionality is doubtful.<sup>181</sup>

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the principles that apply to civil trials and to help you understand the evidence as you listen to it.” *Id.* at 2. With regard to trade dress non-functionality, she instructs the jurors:

To help you understand the evidence that will be presented in this case, I will explain what a trade dress is, and I will give you a summary of the positions of the parties.

....

A trade dress is non-functional if, taken as a whole, the collection of trade dress elements is not essential to the product’s use or purpose or does not affect the total cost or quality of the product even though certain particular elements of the trade dress may be functional.

*Id.* at 24. As noted by many of the commentators, the nightmare the jury faced included 700 specific questions, and the jury form itself was a complex 20-page form which included numerous charts, as well as technical and legal jargon that the jury was all supposed to understand with enough clarity to render verdicts. *Cf.* Nilay Patel, *Apple vs. Samsung: Inside a Jury’s Nightmare*, THE VERGE (Aug. 23, 2012, 10:31 AM), <http://www.theverge.com/2012/8/23/3260463/apple-samsung-jury-verdict-form-nightmare>.

<sup>176</sup> David S. Welkowitz, *Who Should Decide? Judges and Juries in Trademark Dilution Actions*, 63 MERCER L. REV. 429, 432 (2012).

<sup>177</sup> *Id.* at 466.

<sup>178</sup> See Fromer & Lemley, *supra* note 2, at 1253 (noting that the “critical link between the audience for IP infringement and the types of works the law permits underscores the importance of the optimal choice of audience.”).

<sup>179</sup> See e.g., *Groeneveld Transp. Efficiency, Inc. v. Lubecore Int’l, Inc.*, 730 F.3d 494, 502 (6th Cir. 2013); Demory, *supra* note 132, at 458–60.

<sup>180</sup> *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006).

<sup>181</sup> One jurisdiction has created more complex jury instructions for patent validity, with specific findings of fact, along with a fairly sophisticated description of each element. See MODEL PATENT JURY INSTRUCTIONS FOR THE NORTHERN DISTRICT OF CALIFORNIA §4.3b (2014). It is too early to evaluate whether this is a viable alternative for patent validity find-



Special verdict forms may be so complex that they can lead to erroneous or incomplete information about the law, or a tired jury, untrained in the law, may not understand the importance of some findings over others. A long, cumbersome special verdict form may lead to more problems than it solves.

Thus, the jury is limited to the instructions, the jury form, and the evidence presented, all mixed together in a black box to produce results with no rationale or reasoning. While a judge also may err, he or she has the benefit of prior case law, appellate review of the decision in its totality—including the jurist’s rationale and basis in the law—and, in time, a well-developed jurisprudence for determining functionality that would never be available to a jury would be accessible for future courts to use.

Changing the standard to an evidentiary conclusion at law would require the judge to explain his or her rationale on the record.<sup>182</sup> In *KSR*, the Supreme Court reiterated this requirement for obviousness, stating that in order to facilitate the appellate court’s *de novo* review, analysis should be made explicit.<sup>183</sup>

Were functionality treated the same way, it could result in a fuller, deeper development of the doctrine and its application.

### C. *Wrongful Consequences*

As noted *supra*, there are critical consequences stemming from whether an issue is decided as a finding of fact or a conclusion at law. “Juries occupy a special place in civil litigation. We give their decisions great deference, and courts often strive mightily to uphold jury verdicts.”<sup>184</sup> But scholars have noted that this deference creates serious problems in intellectual property law disputes, beyond the jury’s verdict.<sup>185</sup>

Judges are often hesitant to overcome the high hurdle needed to reverse jury verdicts through JMOLs.<sup>186</sup> Under the Federal Rules of Civil Procedure, a court may “grant judgment as a matter of law when ‘a party has been fully heard on an issue during a jury trial and the court finds that a reasonable jury

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ings of fact, or whether this can be used as a model for addressing the skimpy instructions currently used for trade dress functionality.

<sup>182</sup> See *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007). The Court in *KSR* also stressed that an explicit analysis for obviousness was needed in order to include non-prior art “information” (e.g., common sense) in its determination. *Id.*

<sup>183</sup> See Demory, *supra* note 132, at 460. The author argues that when judges submit the issue of obvious to a jury, the court is abdicating its duty to conduct an independent analysis and provide a rationale for the decision, which prevents any meaningful review of the obviousness determination by the Federal Circuit. *Id.*

<sup>184</sup> Welkowitz, *supra* note 176, at 465–66 (footnotes omitted).

<sup>185</sup> See *id.*

<sup>186</sup> *Groeneveld Transp. Efficiency, Inc. v. Lubecore Int’l, Inc.*, 730 F.3d 494, 503 (6th Cir. 2013) (“A motion for judgment as a matter of law should be granted ‘if, under the governing law, there can be but one reasonable conclusion as to the verdict.’”) (quoting *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 250 (1986)).

would not have a legally sufficient evidentiary basis to find for the party on that issue.’”<sup>187</sup> While an appeal of a JMOL does provide the appellate court *de novo* review,<sup>188</sup> we should be hesitant to rely on this “fix,” and instead look to resolve the problem at the trial court level. Appellate courts should not have their docket packed with JMOL or other appeals due to juries’ inability to adequately discern the meaning of functionality, due either to their own limitations or incorrect jury instructions.

On that fuzzy line between “fact” and “law,”<sup>189</sup> these above problems with determining functionality as a finding of fact provide sufficient public policy reasons to have functionality moved to the “law” side of the line.

## V. FUNCTIONALITY AND THE SEVENTH AMENDMENT

*“The Constitution, on this hypothesis, is a mere thing of wax in the hands of the judiciary, which they may twist and shape into any form they please.”*<sup>190</sup>

— Thomas Jefferson

Changing the functionality inquiry from a finding of fact to an evidentiary conclusion at law does raise Seventh Amendment concerns.<sup>191</sup> However, there is no constitutional reason for holding functionality to a finding of fact. The Seventh Amendment provides the right to a jury trial. “In Suits at common law . . . the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law.”<sup>192</sup> The Supreme Court has consistently held that the Constitutional right to a jury trial only applies to suits at law, not in equity.<sup>193</sup>

[This] Court has construed [the language of the Seventh Amendment] to require a jury trial on the merits in those actions that are analogous to “Suits at common

<sup>187</sup> *Id.* at 502–03 (quoting FED. R. CIV. P. 50(a)).

<sup>188</sup> *Id.* at 503 (“We review the district court’s denial of a Rule 50 motion *de novo*.”).

<sup>189</sup> Welkowitz, *supra* note 176, at 432.

<sup>190</sup> Letter from Thomas Jefferson to Spencer Roane (Sept. 6, 1819), in 4 MEMOIRS, CORRESPONDENCE, AND PRIVATE PAPERS OF THOMAS JEFFERSON 324, 325 (Thomas Jefferson Randolph ed., 1829).

<sup>191</sup> For a general analysis on the role of judge and jury in trademark, see Welkowitz, *supra* note 176, at 432.

<sup>192</sup> U.S. CONST. amend. VII.

<sup>193</sup> *Feltner v. Columbia Pictures Television, Inc.*, 523 U.S. 340, 347–48 (1998) (“The Seventh Amendment provides that ‘[i]n Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved . . . .’ Since Justice Story’s time, the Court has understood . . . [that t]he Seventh Amendment thus applies not only to common-law causes of action, but also to ‘actions brought to enforce statutory rights that are analogous to common-law causes of action ordinarily decided in English law courts in the late 18th century, as opposed to those customarily heard by courts of equity or admiralty.’” (citations omitted)).

law.” Prior to the Amendment’s adoption, a jury trial was customary in suits brought in the English *law* courts. In contrast, those actions that are analogous to 18th-century cases tried in courts of equity or admiralty do not require a jury trial. This analysis applies not only to common-law forms of action, but also to causes of action created by congressional enactment.<sup>194</sup>

In *Markman v. Westview Instruments, Inc.*,<sup>195</sup> the Supreme Court was faced with this issue when it held that claim construction was determined by a judge as a conclusion at law.

In keeping with our longstanding adherence to this “historical test,” we ask, first, whether we are dealing with a cause of action that either was tried at law at the time of the founding or is at least analogous to one that was. If the action in question belongs in the law category, we then ask whether the particular trial decision must fall to the jury in order to preserve the substance of the common-law right as it existed in 1791.<sup>196</sup>

As for infringement actions, “there is no dispute that infringement cases today must be tried to a jury, as their predecessors were more than two centuries ago.”<sup>197</sup> However, the Court held that even if an infringement action must be tried by a jury, there may still be particular issues within the jury trial that are themselves not jury issues.<sup>198</sup> This will “depend on whether the jury must shoulder this responsibility *as necessary to preserve the ‘substance of the common-law right of trial by jury.’*”<sup>199</sup> In establishing how to determine whether a jury trial was required, the Court went on to hold that “[o]nly those incidents which are regarded as fundamental, as inherent in and of the essence of the system of trial by jury” are bound by the Seventh Amendment.<sup>200</sup> For patent cases, this meant that while construing patent terms was a job for the court,<sup>201</sup> the infringement analysis was “a question of fact, to be submitted to a jury.”<sup>202</sup>

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<sup>194</sup> *Tull v. United States*, 481 U.S. 412, 417 (1987) (citing *Parsons v. Bedford*, 3 Pet. 433 (1830)).

<sup>195</sup> *Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996).

<sup>196</sup> *Id.* at 376 (citations omitted).

<sup>197</sup> *Id.* at 377.

<sup>198</sup> *Id.*

<sup>199</sup> *Id.* (quoting *Tull*, 481 U.S. at 426).

Where history and precedent provide no clear answers, functional considerations also play their part in the choice between judge and jury to define terms of art. . . . [W]hen an issue “falls somewhere between a pristine legal standard and a simple historical fact, the fact/law distinction at times has turned on a determination that, as a matter of the sound administration of justice, one judicial actor is better positioned than another to decide the issue in question.” So it turns out here, for judges, not juries, are the better suited to find the acquired meaning of patent terms. *Id.* at 388 (citations omitted) (quoting *Miller v. Fenton*, 474 U.S. 104, 114 (1985)).

<sup>200</sup> *Id.* at 377 (quoting *Tull*, 481 U.S. at 426).

<sup>201</sup> *Id.* at 386–88 (“[I]n addressing the ultimate issue of mixed fact and law, it was for the court to lay down to the jury the law which should govern them. . . . Questions of construction are questions of law for the judge, not questions of fact for the jury. . . . The duty of interpreting letters-patent has been committed to the courts. A patent is a legal instrument, to

Criticism regarding the right to a jury trial to determine patent validity—expanding beyond obviousness determinations and claim construction—has recently been made by Professor Lemley.<sup>203</sup> He describes the historical underpinnings of English Courts determining patent validity first by the King, then by Privy Council and Chancery Courts, and only in a limited capacity by juries.<sup>204</sup> In addition, he describes how, in the United States, challenges to patent validity were historically determined by courts at equity, and there is ample support for returning all issues of validity to a judge.<sup>205</sup>

Registration of a mark, while a less rigorous analysis than a patent prosecution, is subject to examination by the Patent and Trademark Office. In one of several arguments to support his assertion that judges, rather than juries should decide patent validity Professor Lemley notes:

[W]e don't normally ask juries to review the decision of an administrative agency . . . . The Administrative Procedure Act ("APA") presupposes that judges, not juries, review agency decisions. The Supreme Court has held that there is no

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be construed, like other legal instruments, according to its tenor.") (citations and internal quotation marks omitted).

<sup>202</sup> *Id.* at 384–85 ("The two elements of a simple patent case, construing the patent and determining whether infringement occurred, were characterized by the former patent practitioner, Justice Curtis. 'The first is a question of law, to be determined by the court, construing the letters-patent, and the description of the invention and specification of claim annexed to them. The second is a question of fact, to be submitted to a jury.'") (citations omitted) (quoting *Winans v. Denmead*, 56 U.S. 330, 338 (1853)).

<sup>203</sup> Lemley, *supra* note 91.

<sup>204</sup> *Id.* at 1680–91. The article provides English Patent Practice history regarding patent validity determinations prior to the American Revolution. Beginning in the 1500s, it was a grant by the King (which only he could revoke); later its adjudication was in Courts of Chancery, which did not have the power to convene a jury. Professor Lemley notes that through the 1790s, patent infringement was determined at common law—by courts of law with a jury—though the jury had the limited ability to find a patent invalid for that particular infringing action. Actions by either a Court of Chancery or the King's Privy Council were necessary to universally invalidate a patent. *Id.*

<sup>205</sup> *Id.* at 1691–704. Professor Lemley details the history of patent validity challenges, summarizing that:

there is no such long tradition of juries deciding validity in the United States . . . for most of the last 150 years, including the time in which the modern requirements of validity were developed and applied, judges, not juries, decided those validity questions. . . . A Court concerned with preserving a traditional right is unlikely to find that right to exist in a practice that was uncommon before 1978 and not truly prevalent until the late 1980s.

*Id.* at 1724. Professor Lemley also describes another, equally important argument for trying patent validity in equity—that the Supreme Court sees patents as:

rights affected with a public interest . . . [and] patent validity as a matter of public, not private rights. A Supreme Court focused on the public rights elements of Seventh Amendment jurisprudence is likely to conclude that patents are instruments of public, not private, policy to which the Seventh Amendment does not apply.

*Id.* at 1723. Professor Lemley cites to the leading cases of *Lear Inc. v. Adkins*, 395 U.S. 653 (1969), *MedImmune, Inc. v. Genentech, Inc.*, 549 U.S. 118 (2007) and *Precision Instrument Mfg. Co. v. Automotive Maint. Mach. Co.*, 324 U.S. 806 (1945) in support of this argument. *Id.* at 1723 & nn.237–40.

constitutional right to jury review of administrative agency decisions. And as the Supreme Court held in 1999, the PTO is an administrative agency subject to the normal rules of the APA.<sup>206</sup>

However, unlike patents, rights to a mark do exist absent of registration with the PTO. Rather than create a dual system for registered versus unregistered marks, the same standard should be applied to a functionality determination, regardless of the status of the mark in question: that of an evidentiary conclusion at law.

Thus, during litigation, courts can divide the trade dress infringement analysis in two parts—determining infringement retains its Seventh Amendment right to a jury, while functionality—that is, whether this is an area of law that patent law should govern—can be seen as a question of law to be decided by the court. If a judge determines that the product feature is non-functional, then the issue of infringement goes to the finder of fact.

#### FINAL THOUGHTS

The functionality doctrine prevents giving non-competitive advantages to those designs which are either useful or aesthetically pleasing.<sup>207</sup> Yet this really means that we are telling the person claiming these design features that trademark law is not the area of intellectual property by which one can claim a monopoly over these features. We have given this role to patent law.

Yet if this is what we are saying—that if you want to protect the design, get a patent if you can—then why is functionality determined by a different evidentiary standard? Consistency is the hallmark of the rule of law, and we should not hold a constitutional standard to different levels based on where one commonly assesses the issue. Merely because functionality is a determination in trademark law does not lessen the reality that it is actually an assessment of whether the feature should be governed by patent law. And there is a valid argument that there is no Seventh Amendment requirement for a jury to be the arbitrators of functionality.

A shift in the standard for determining functionality of trade dress would benefit competitors and consumers and bring the standard in line with the source of the inquiry based in patent law. It would also align the review of the administrative decision by the trademark examiner with the requirements under the Administrative Procedure Act. Importantly, the shift would remove the often ill-equipped jury from making the technical determination that is necessary to resolve what is essentially a constitutional question, yet retain a defendant's right to have a jury ultimately decide whether there has been infringement.

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<sup>206</sup> *Id.* at 1674 (citations omitted); see also *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006) (holding that the requirement that the rejection of a patent application be more than a conclusory statement “is as much rooted in the Administrative Procedure Act, which ensures due process and non-arbitrary decisionmaking, as it is in § 103”).

<sup>207</sup> See *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 170 (1995).

Even from an early age, our understanding of the physical world is built on the scientific inquiry of answering the question “why?” Young children pester their parents with questions such as, “Why is the sky blue?” “Why don’t horses sing?” “Why can’t I get a puppy for Christmas?” We continually look to answer that elusive question of “why”? Even as children, we found the answer often given (or as adults, the answer we give) very unsatisfying: “Because.” So, we continue to look for reasons to explain the happenings around us. As adults, we ponder larger, more complex questions.<sup>208</sup> We explore the universe and use the properties of the laws of physics to explain how the world and the universe work. Albert Einstein,<sup>209</sup> Carl Sagan,<sup>210</sup> and Cecilia Payne-Gaposchkin<sup>211</sup> expanded our understanding of the Earth and the universe with their skepticism of unproven but accepted theories, and instead asked—and answered—“why?”

Likewise, we should avoid tolerating responses of “that is how it has always been done” as an acceptable answer to a legal inquiry, especially one with such lasting and serious repercussions. Rather, it is our duty to question these longstanding pronouncements, and ensure that they are, in fact, the way things ought to be.

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<sup>208</sup> Though I still want to know why horses don’t sing.

<sup>209</sup> Albert Einstein was a theoretical physicist best known for expanding Sir Isaac Newton’s theories of physics with his own theories of General Relativity and Special Relativity. *See* ROYAL SWEDISH ACAD. OF SCIENCES, SCIENTIFIC BACKGROUND ON THE NOBEL PRIZE IN PHYSICS 2011, at 2 (2011).

<sup>210</sup> Carl Sagan was an astrophysicist at Cornell University, best known for being a strong proponent of the scientific method of discovery, scientific skeptical inquiry, and bringing an understanding of science to the general public. *See generally* David Morrison, *Man for the Cosmos: Carl Sagan’s Life and Legacy as Scientist, Teacher, and Skeptic*, SKEPTICAL INQUIRER, Jan./Feb. 2007, at 29, available at [http://www.csicop.org/si/show/carl\\_sagans\\_life\\_and\\_legacy\\_as\\_scientist\\_teacher\\_and\\_skeptic/](http://www.csicop.org/si/show/carl_sagans_life_and_legacy_as_scientist_teacher_and_skeptic/).

<sup>211</sup> Dr. Cecilia Payne-Gaposchkin was a brilliant astrophysicist, who, in the 1920s, theorized the composition of stars based on their relative abundances of the two most basic chemical elements—hydrogen and helium. She was also the first person to earn a Ph.D. in Astronomy at Radcliff College. Dr. Payne-Gaposchkin was also the first woman to head a department at Harvard University when in 1956, she was appointed chair of its Department of Astronomy. *See Cecilia Helena Payne-Gaposchkin*, CWP AT UCLA, [http://cwp.library.ucla.edu/Phase2/Payne-Gaposchkin\\_Cecilia\\_Helena@861234567.html](http://cwp.library.ucla.edu/Phase2/Payne-Gaposchkin_Cecilia_Helena@861234567.html) (last visited Jan. 1, 2015).